



Financial Institutions Committee

Filed: 3/10/2009

09600HB0856ham001

LRB096 09404 MJR 23119 a

1 AMENDMENT TO HOUSE BILL 856

2 AMENDMENT NO. _____. Amend House Bill 856 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Illinois Banking Act is amended by adding
5 Section 32.5 as follows:

6 (205 ILCS 5/32.5 new)

7 Sec. 32.5. Residential mortgages; original lender retains
8 interest. A bank organized under the laws of this State that is
9 a lender for a residential mortgage must retain a permanent 25%
10 interest in the value of the loan.

11 Section 10. The Illinois Savings and Loan Act of 1985 is
12 amended by adding Section 1-6g as follows:

13 (205 ILCS 105/1-6g new)

14 Sec. 1-6g. Residential mortgages; original lender retains

1 interest. A savings and loan association organized under the
2 laws of this State that is a lender for a residential mortgage
3 must retain a permanent 25% interest in the value of the loan.

4 Section 15. The Savings Bank Act is amended by adding
5 Section 6005.5 as follows:

6 (205 ILCS 205/6005.5 new)

7 Sec. 6005.5. Residential mortgages; original lender
8 retains interest. A savings bank organized under the laws of
9 this State that is a lender for a residential mortgage must
10 retain a permanent 25% interest in the value of the loan.

11 Section 20. The Illinois Credit Union Act is amended by
12 adding Section 51.5 as follows:

13 (205 ILCS 305/51.5 new)

14 Sec. 51.5. Residential mortgages; original lender retains
15 interest. A credit union organized under the laws of this State
16 that is a lender for a residential mortgage must retain a
17 permanent 25% interest in the value of the loan."